

ethikos Volume 34, Number 11. November 01, 2020 On ethics: Alexander Stein, Part 2

Alexander Stein, PhD, Founder, Dolus Advisors, and Principal, Boswell Group

An interview by **Adam Turteltaub**, CHC, CCEP, Chief Engagement & Strategy Officer, SCCE & HCCA. Part 1 was published in the October 2020 issue of *ethikos*.

AT: A lot of emphasis in ethics and compliance is on setting the right tone at the top. Is that the right place to focus the effort, or are others more effective?

AS: Ethics and compliance, like car and aircraft maintenance, natural ecosystem preservation, and preventive medicine, ought to be a continual holistic practice. Overfocus on one area to the exclusion of others or sporadic examination rather than persistent oversight are as potentially risky and ineffective as complete negligence. Of course, certain areas by structural design have greater functional criticality and zones of impact than others and, by dint of this magnified influence, appropriately deserve disproportionately more attention.

But that shouldn't be taken to mean, in organizational contexts, that emphasis on tone (or other important qualities and attributes) at the top trump attention elsewhere. Time and again, culture and compliance problems surface not from lack of attention but as a consequence of attending more to noise than signal. From my perspective, the right response is quality of attention given where it's needed most.

Every organization's strategic, cultural, and operational complexities are unique, and the people responsible for modeling, influencing, course-setting, and decision-making experience their personal and environmental situations differently; thus, human responses run across a spectrum. There's no single formula or generic prescription for addressing ethics and culture problems (which are meaningfully different in almost all ways from transactional, market-related, production, and commercially oriented business issues).

That said, experience informs my understanding of the factors that generally enable or hamper certain organizations faring better or progressing more easily versus those that might struggle or even fail regardless of any other external elements.

Paramount is organizational resiliency, which primarily involves a strong institutional community built on trust and interdependency, provides psychological safety, and is conducive to an environment that fosters communicativeness, connectivity, empathy, and tolerance.

But no organization can establish that resilience or integrate its myriad environmental ingredients spontaneously or accidentally. It requires concerted thought and effort and, above all else, moral leadership.

Moral leadership, concisely, comprises what Jacqueline Novogratz, CEO of Acumen, talks about as "moral imagination" and "deep listening."^[1] These refer to an attitude, a mindset, foregrounding inquiry, curiosity, understanding, and kindness toward the value and importance of other people's lives and experiences—whether those who work for or with you, who live in the community your company serves, or are affected by the work you do and the manner in which you conduct yourself. Moral leadership, as I understand and advance it in my own work with corporate leaders, is an essentially humanitarian perspective. It is not in opposition to or tension with capitalism, competition, profit, capacity building, or any other commercial principle. But, as a leadership stance,

it privileges fairness and refuses to subordinate or peripheralize considerateness and empathy.

Why does this matter? Every organization I'm working with, and of course many others too, is focused on responding to the social, economic, and humanitarian crisis of COVID-19 on the fly across a wide range of impact zones. Some are dealing with declines, some are just trying to cope and stay stable, while others are seizing extraordinary opportunities. All are trying to adjust to a new reality without being able to forecast how long that might last or how or whether it will change. All are also confronting the ethical and social issues of our day: the long-festering wounds of racial injustice highlighted by the Black Lives Matter movement, the earlier protests of the #MeToo movement against sexual harassment and sexual abuse, as well as the many other individuals and groups that continue to face discrimination and injustice. And in addition to the current health and economic crises and social unrest, climate change continues to be a defining issue of our time, together with a backlash against democratic values and principles and a surge of regressive ideological conservatism bringing with it a rise in populism, despotism, fascism, and authoritarianism. In this environment, corruption and unethical behavior are not subjects that can or should be back-burnered.

This document is only available to subscribers. Please [log in](#) or [purchase access](#).

[Purchase](#) [Login](#)